REMARKS

Claims 1-46 are pending in the application. Claims 3-6, 9, 11, 19-22, 24-26, 29-31, 33-34, 36-39 and 41-43 have been amended.

Claim Objections

The Examiner has objected to claims 3-6, 9, 11, 19-22, 24-26, 29-31, 33-34, 36-39 and 41-43 due to informalities. In response, applicants have amended claims 3-6, 9, 11, 19-22, 24-26, 29-31, 33-34, 36-39 and 41-43 to address the Examiner's objections.

Claim Rejections – 35 U.S.C §102

The Examiner has rejected Claims 1-11 and 17-43 under 35 U.S.C. 102(b) as being anticipated by Zhang (5,812,195). Applicants respectfully traverse the Examiner's rejection.

Independent Claims 1, 11, 17, 22, 27, 34 and 39

Zhang does not disclose a method of adjusting a video encoding rate employed during video encoding *based at least in part on a measurement of the variation in pixel values for a selected portion of a video image* as recited in Claims 1, 11, 17, 22, 27, 34 and 39. The Examiner has pointed to Zhang's disclosure of an error analyzer (element 203) [Office Action p. 3 citing Zhang Col. 9 line 65 to Col. 10 line 25] without showing where Zhang discloses use of the output of error analyzer 203 to adjust a video encoding rate. Moreover, applicants respectfully note that the Examiner has provided no basis in the Zhang disclosure for the Examiner's assertion that "the results of element 203 is sent to element 204, then to element 205, next to element 210, and then to elements 211 and 212, where element 211 will adjust the video encoding rate by adjusting the quantization step" [Office Action p. 3].

It is therefore respectfully requested that the Examiner withdraw his rejection of Claims 1, 11, 17, 22, 27, 34 and 39 as well as his rejection of the associated dependent Claims 2-10, 18-21, 23-26, 28-33, 35-38 and 40-43 as well.

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The Examiner has rejected Claims 44-46 under 35 U.S.C. 102(b) as being anticipated by Nickerson (5,926,222). Applicants respectfully traverse the Examiner's rejection.

Independent Claim 44

Nickerson does not disclose a look up table comprising a *relationship between the number of bits and variation in pixel signal values of a plurality of video images* for a variety of quantization step sizes as recited in Claim 44. The Examiner has pointed to Nickerson's disclosure of a quantization look up table [Office Action p. 18 citing Nickerson Col. 2, lines 40-52; Fig. 3, table 514] and has asserted that Nickerson's look up table "takes the number of bits and the variation in pixel signal values into account" [Office Action p. 18 citing Nickerson Col. 6, lines 49-67; Fig. 5] without showing where Nickerson discloses that look up table 514 takes the number of bits *and* the variation in pixel signal values of a plurality of video images *for a variety of quantization steps* into account as recited in Claim 44.

Applicants note that while Nickerson discloses that bitrate controller 302 "uses sum-of-absolute differences measures (or other acceptable statistical measures), along with the target bitrate to select an *initial* set of Q-levels for encoding" (emphasis added) [Nickerson, Col. 5, lines 61-64], Nickerson does not disclose that look up table 514 takes the number of bits and the variation in pixel signal values of a plurality of video images for a variety of quantization steps into account as recited in Claim 44. Moreover, Nickerson clearly discloses that the sum-of-absolute differences measurement is made in real-time ("The SAD measures may be generated during motion estimation and/or block classification processing" [Nickerson, Col. 5, lines 65-66]) and does not disclose that SAD measurements are stored in look up table 514.

It is therefore respectfully requested that the Examiner withdraw his rejection of Claim 44 as well as his rejection of the associated dependent Claims 45-46 as well.

Claim Rejections – 35 U.S.C §103

The Examiner has rejected Claims 12-16 under 35 U.S.C. 103(a) as being unpatentable over Zhang (5,812,195) in view of Howe (5,900,865). Applicants respectfully traverse the Examiner's rejection.

Applicants respectfully note that Claims 12-16 depend from Claim 11. As stated above, applicant's note that Zhang fails to disclose a method of adjusting a video encoding rate employed during video encoding based at least in part on a measurement of the variation in pixel values for a selected portion of a video image as recited in Claim 11. Because the Examiner has failed to point out the manner in which Howe corrects this deficiency in Zhang, applicants respectfully assert that the combination of Zhang with Howe fails to render Claim 11 unpatentable and that therefore Zhang and Howe likewise fail to render the dependant Claims 12-16 unpatentable.

CONCLUSION

In view of the foregoing, it is respectfully asserted that all of the claims pending in this patent application are in condition for allowance.

Should it be determined that an additional fee is due under 37 CFR §§1.16 or 1.17, or any excess fee has been received, please charge that fee or credit the amount of overcharge to deposit account #02-2666.

If the Examiner has any questions, he is invited to contact the undersigned at (503) 264-6473. Reconsideration of this patent application and early allowance of all the claims is respectfully requested.

Respectfully submitted,

Robert D. Hinchliffe
Patent Agent
Intel Corporation
Reg. No. 55,268

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c/o Blakely, Sokoloff, Taylor & Zafman, LLP
5285 SW Meadows Road
Lake Oswego, OR 97035
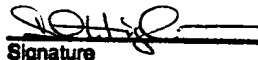Suite 101
(503) 684-6200

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